



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

MARY ANN WRIGHT
Acting Division Director

M/003/060

FACSIMILE COVER SHEET

DATE: May 20, 2005

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 12

TO: Mike Pauletto
T & P Investments
10517 NE 50th Ave
Vancouver WA 98686

FAX NUMBER: 1-360-238-5379

FROM: Joelle Burns

Minerals Reclamation and Development Program

PHONE: (801) 538-5291

FAX: (801) 359-3940

SUBJECT: Joint LOC Form and Reclamation
Contract form - Green Peak Mine
M/003/060

REMARKS: Please ~~for~~ Send "draft" before you
finalize so we can check for
completeness.

Thanks Joelle
If bank has questions on the LOC form
have them call. The square brackets []
are prompts only & can be taken out when the
blanks are filled in.

Should you encounter any problems with this copy, or do not receive all the pages, please call

Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.

TRANSACTION REPORT

P. 01

MAY-20-2005 FRI 10:05 AM

FOR: OIL, GAS & MINING

801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAY-20	10:02 AM	13602385379	2' 55"	12	SEND	OK	840	

TOTAL : 2M 55S PAGES: 12



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FROM: Jacelle Burns

Minerals Reclamation and Development Program

PHONE: (801) 538-5291

FAX: (801) 359-3940

Oil, Gas & Mining Division

Letter of Credit No. _____

Date: _____

UTAH DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

and

~~and~~

US DOI Bureau of Land Management
Utah State Office
440 W 200 S Ste 500
SLC UT 84101

Gentlemen and Ladies:

1. _____ [Name of Bank or Surety], ("Surety"), of _____ [city/state], hereby establishes this irrevocable letter of credit (the "Letter of Credit") in favor of the Utah Division of Oil, Gas and Mining ("Division") for itself and as agent for the US DOI Bureau of Land Mngt. ~~Cooperative Agency~~ (collectively, the "Beneficiaries") for an aggregate amount not to exceed \$ _____ [reclamation cost estimate] in United States dollars ("Face Amount") effective immediately.

2. This Letter of Credit will expire upon the first event set forth as follows: (a) 5:00 o'clock p.m. (Salt Lake City time) on _____ [expiration date] or (b) the date upon which sufficient documents are executed by the Division to release _____ ("Operator") from further liability for reclamation of the GreenPeak [mine], M/003/060 ~~[mine permit #]~~ with notice to Bank or Surety by the Division accompanied by the original Letter of Credit with directions for cancellation.

3. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless the Surety gives notice to the Division 90 days prior to the expiration date that the Surety elects not to renew the Letter of Credit.

4. Funds under the Letter of Credit are available against the Division's sight draft, in the form of Exhibit A, specifying Letter of Credit No. _____ delivered to the office of the Surety, _____ - _____ [address]. At the Division's sole election, the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.

5. If the Surety receives the Division's sight draft(s) and certificate(s) as provided in Paragraph No. 4 above on or before the expiration or termination of this Letter of Credit, the Surety will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following the Surety's receipt of the sight draft and certificate and in such a manner as the Division may specify.

6. The Surety will give prompt notice to the Operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's charter or license to do business.

7. The Letter of Credit will be governed by the laws of the State of Utah and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1993 revision, International Chamber of Commerce Publication No. 500, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.

8. All communications regarding this Letter of Credit will be addressed to the Surety _____ [address], referencing Letter of Credit No. _____.

Very truly yours,

The Surety

By: _____
(Name typed or printed)

(Authorized Signature)

Title: _____

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit Number _____

_____	_____	_____
Date	City, County	Letter of Credit No.

PAY TO THE ORDER OF:	Utah Division of Oil, Gas and Mining.

_____	DOLLARS
-------	---------

TO: (Name of Bank or Surety)
and
(Address)

Utah Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

By: _____
Authorized Signature



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

EXHIBIT B

to
Letter of Credit Number _____

I, _____ a duly authorized representative of the Utah Division of Oil, Gas and Mining, hereby certify that (1) the drawing in the amount of \$ _____, by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you is permitted under the provision of the Letter of Credit, (2) the Letter of Credit has neither expired nor terminated pursuant to its terms, (3) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount, and (4) the Utah Board of Oil, Gas and Mining, after notice and hearing, has entered an Order which has not been stayed, ordering forfeiture of Letter of Credit No. _____ in accordance with applicable law. Proceeds of this drawing will be utilized in full to pay the expenses relating to the reclamation liability, together with the costs of collection, including attorneys fees, for the _____ [mine], _____ [mine permit #].

The Utah Division of Oil, Gas and Mining

By: _____
Authorized Signature

Date _____

3:LOC